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**NEWS RELEASE**

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[TSX-V: CLZ](http://www.canasil.com)  
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**Canasil Drills 3.18 Metres of 850 g/t Silver Equivalent\* (Ag Eq) Including 1.28 metres of 1,938 Ag Eq at the La Esperanza Project in Durango and Zacatecas States, Mexico**

Vancouver, May 02, 2017 - Canasil Resources Inc. ([TSX-V: CLZ](http://www.canasil.com), DB Frankfurt: 3CC, “Canasil”) announces assay results for drill holes ES-17-18 and ES-17-19 of the 2016-17 core drilling program at the La Esperanza silver-zinc-lead project in Durango and Zacatecas States, Mexico. Both drill holes intersected wide mineralized intervals with multiple silver-zinc-lead intercepts, with appreciable gold values in ES-17-19, reporting high-grade intervals from the La Esperanza vein. These holes now complete the current drill program, which was expanded to eight drill holes for a total of 2,452 metres (m). All drill holes successfully intersected the La Esperanza vein indicating a strong mineralized system which remains open in both directions to the southeast and northwest along strike and to depth. Of particular note are the high gold grades observed for the first time together with high silver grades in drill hole ES-17-19.

ES-17-18 intersected multiple mineralized bands over an interval of 7.82 m (true width (“TW”) 6.77 m) returning an average of 141 grammes per tonne silver equivalent\* (g/t Ag Eq). This interval included higher-grade intervals of **2.16 m (TW 1.87 m) of 357 g/t Ag Eq**, which included **0.67 m (TW 0.58 m) of 479 g/t Ag Eq** – detailed assays are listed in the table below. ES-17-18 is a 50-metre step-out to the northwest and at the same vertical depth of drill hole ES-12-03 and appears to be located in the higher levels of the vein system.

Drill hole ES-17-19 intercepted three vein intervals through an overall mineralized structure extending over 12.97 m (TW 11.23 m) from 296.44 to 308.62 metres. These included a hanging wall (HW) vein intercept, the Main vein and a footwall (FW) vein with details listed in the table below. The overall intercept returned **12.97 m (11.23 m TW) of 382 g/t Ag Eq**, with the HW vein returning **2.39 m (TW 2.07 m) of 406 g/t Ag Eq**. The central Main vein returned **3.18 m (TW 2.75 m) of 850 g/t Ag Eq**, including **1.28 m (TW 1.11 m) of 1,938 g/t Ag Eq**. The FW vein returned **1.74 m (TW 1.51 m) of 406 g/t Ag Eq**. ES-17-19 intercepted the La Esperanza vein 50 metres below ES-12-03 and ES-17-18, approximately 300 m below surface. The intercept appears to be still relatively high in the vein system and the high silver grades, and in particular the high gold grades, are encouraging and support further drilling along strike and to depth in the northwestern zone of the La Esperanza vein.

La Esperanza 2016-17 Drill Program										
Hole ES-17-18										
	Interval - Metres		Width – Metres		Gold	Silver	Zinc	Lead	Copper	*Silver Eq
	From	To	Interval	True	Au g/t	Ag g/t	Zn %	Pb %	Cu %	*Ag Eq g/t
	257.49	265.31	7.82	6.77	0.04	79	0.68	0.53	0.01	141
Including	257.49	259.65	<b>2.16</b>	<b>1.87</b>	0.03	<b>231</b>	1.19	1.38	0.03	<b>357</b>
Including	258.98	259.65	0.67	0.58	0.04	<b>358</b>	0.70	1.85	0.03	<b>479</b>
Hole ES-17-19										
	296.44	309.41	<b>12.97</b>	<b>11.23</b>	0.74	<b>219</b>	0.90	0.43	0.05	<b>382</b>
HW Vein	296.44	298.83	<b>2.39</b>	<b>2.07</b>	0.04	<b>261</b>	<b>2.09</b>	0.92	0.15	<b>406</b>
Main Vein	298.83	302.01	<b>3.18</b>	<b>2.75</b>	<b>2.76</b>	<b>552</b>	1.16	0.63	0.08	<b>850</b>
Including	300.73	302.01	<b>1.28</b>	<b>1.11</b>	<b>6.39</b>	<b>1,281</b>	<b>2.23</b>	1.25	0.18	<b>1,938</b>
FW Vein	306.88	308.62	<b>1.74</b>	<b>1.51</b>	0.39	<b>256</b>	1.68	0.74	0.02	<b>406</b>
*Silver equivalents calculated assuming 100% recoveries (for Ag Eq calculation only – may not reflect actual recoveries) and Ag US\$17/oz, Au US\$1,250/oz, Cu US\$2.50/lb, Zn US\$1.30/lb, and Pb US\$1.00/lb										

The drill program was implemented by the Company's exploration team under the direction of Eng. Erme Enriquez (CPG), Director of Exploration and Development of Minera Canasil S.A. de C.V., the Company's wholly owned Mexican subsidiary. All core samples are logged at the Company's core storage facility in Durango, Mexico. Samples are cut by diamond saw, with half being sent for assay and half secured for reference. Samples are sent to the ALS Laboratories in Zacatecas, Mexico for preparation and then on to ALS Global in Vancouver for gold and silver analyses by fire assay with an atomic absorption finish ("FA-AA") on a 30 gram split, and for silver, copper, lead, zinc and trace elements by ICP analysis following digestion of 0.50 gram sample in aqua regia.

The technical information herein has been reviewed and approved by J. Blackwell (P. Geo.), a Qualified Person as defined by National Instrument 43-101. Mr. Blackwell is a technical advisor to Canasil.

### **About La Esperanza**

The La Esperanza silver-lead-zinc project covers 14,916 hectares, located 100 km SSE of the city of Durango in southern Durango and northern Zacatecas States. The project is easily accessible from Canasil's operating base in Durango with excellent infrastructure. The project is located on the well-recognized world class Fresnillo silver belt, hosting a number of prominent silver mines such as the San Martin-Sabinas mines of Grupo Mexico and Penoles, the La Colorada mine of Pan American Silver and La Parrilla and Del Toro mines of First Majestic Silver and Fresnillo PLC's Fresnillo mine.

A series of silver-zinc-lead epithermal veins are observed over a northwest-southeast striking zone extending over approximately 20 kilometres hosted in the Lower Volcanic Group. Mineralization occurs in low to intermediate sulphidation veins, primarily striking northwest and dipping southwest. The main La Esperanza vein is a banded and cockade white to grey quartz breccia epithermal vein with silver, lead and zinc mineralization associated with argentiferous galena, silver sulfosalt minerals and sphalerite. Prior to the current 2016-17 drill program drilling on this vein was focused along an approximate strike length of 250 metres and to a relatively shallow depth of approximately 250 metres and returned consistent high-grade silver-zinc-lead intercepts from the main La Esperanza vein and an associated Hanging Wall vein at the upper levels. The average true width of intercepts from 8 drill holes on the main La Esperanza vein was 4.21 metres returning 330 g/t silver, 0.93% zinc and 1.57% lead. The average true width of drill intercepts from 5 drill holes which intersected the Hanging Wall vein was 1.53 metres returning 324 g/t silver, 1.37% zinc and 1.80% lead (details listed under the La Esperanza project profile on the Company's website [www.canasil.com](http://www.canasil.com), and previously reported in the news release dated November 6, 2006).

### **About Canasil:**

Canasil is a Canadian mineral exploration company with a strong portfolio of 100% owned silver-gold-copper-lead-zinc projects in Durango and Zacatecas States, Mexico, and in British Columbia, Canada. The Company's directors and management include industry professionals with a track record of identifying and advancing successful mineral exploration projects through to discovery and further development. The Company is actively engaged in the exploration of its mineral properties, and maintains an operating subsidiary in Durango, Mexico, with full time geological and support staff for its operations in Mexico.

For further information please contact:

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**La Esperanza Project, Durango & Zacatecas, Mexico: La Esperanza Vein Drill Plan and Long Section**

